

## Message Text

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PAGE 01 QUITO 06496 021653Z

70

ACTION ARA-20

INFO OCT-01 NEA-14 ISO-00 AEC-11 AID-20 CEA-02 CIAE-00

CIEP-03 COME-00 DODE-00 EB-11 FPC-01 H-03 INR-11

INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07 RSC-01 SAM-01

SCI-06 SP-03 SS-20 STR-08 TRSE-00 FRB-03 FEA-02 PA-04

PRS-01 USIA-15 DRC-01 /188 W  
----- 102588

R 021428Z OCT 74

FM AMEMBASSY QUITO

TO SECSTATE WASHDC 2678

INFO AMCONSUL GUAYAQUIL

AMEMBASSY JIDDA

AMEMBASSY TEHRAN

C O N F I D E N T I A L QUITO 6496

E.O. 11652: GDS

TAGS: ENRG, ENIV, EC

SUBJ: ADA CASE: GULF OF GUAYAQUIL BIDDING

1. EL TIEMPO OCTOBER 1 REPORTS THAT CEPE MANAGER COL. RENE VARGAS, SPEAKING IN PORTOVIEJO, SAID THAT IF THERE ARE NO OFFERS FROM THE COMPANIES QUALIFIED TO BID ON GULF OF GUAYAQUIL BLOCKS, THE STATE OIL COMPANY CEPE WILL ITSELF UNDERTAKE EXPLORATION FOR GAS THERE. HE ADMITTED THAT HE COULD NOT BE SURE THAT THE QUALIFIED COMPANIES WILL BID. IF CEPE SHOULD UNDERTAKE THE GAS EXPLORATION IT WOULD GO FORWARD WITH THE ASSISTANCE OF SAUDI ARABIA AND IRAN.

2. COMMENT: WE TAKE VARGAS' COMMENT AS AN EXPRESSION OF A FALLBACK PUBLIC POSITION IN THE EVENT THERE ARE NO BIDS ON THE GULF OF GUAYAQUIL. AFTER THE EXPERIENCE IN EARLY 1974 WHEN ONLY TWO OF THIRTY-FIVE COMPANIES QUALIFIED TO BID ON EXPLORATION BLOCKS IN THE ORIENTE DID SO, CEPE OFFICIALS ARE TAKING NOTHING FOR GRANTED. IT IS OF COURSE BEYOND THE  
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PRESENT TECHNICAL AND FINANCIAL CAPABILITY OF CEPE TO EXPLORE

AND DEVELOP EXPEDITIOUSLY OFF-SHORE NATURAL GAS AND WE QUESTION  
THAT THERE HAVE BEEN DETAILED DISCUSSIONS OR AGREEMENTS  
WITH SAUDI ARABIA OR IRAN ABOUT SUCH A PROJECT. END COMMENT.

3. FOR JIDDA AND TEHRAN. YOUR COMMENTS WILL BE WELCOME.  
BREWSTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, PRESS COMMENTS, EXPLORATION, PROPOSALS (BID)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 OCT 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CollinP0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974QUITO06496  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 AUG 2002 by izenbei0>; APPROVED <04 MAR 2003 by CollinP0>  
**Review Markings:**

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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Status:** NATIVE  
**Subject:** ADA CASE: GULF OF GUAYAQUIL BIDDING  
**TAGS:** ENRG, EINV, EC, GULF, ADA, CEPE, (VARGAS, RENE)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005